THE OFFICE OF REGULATORY STAFF DIRECT TESTIMONY AND EXHIBITS

OF

MICHAEL L. SEAMAN-HUYNH

MARCH 8, 2011



DOCKET NO. 2011-2-E

Annual Review of Base Rates for Fuel Costs of South Carolina Electric & Gas Company

1		DIRECT TESTIMONY OF
2		MICHAEL L. SEAMAN-HUYNH
3		ON BEHALF OF
4		THE SOUTH CAROLINA OFFICE OF REGULATORY STAFF
5		DOCKET NO. 2011-2-E
6		IN RE: ANNUAL REVIEW OF BASE RATES FOR FUEL COSTS
7		OF SOUTH CAROLINA ELECTRIC & GAS COMPANY
8		
9	Q.	PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND OCCUPATION.
10	A.	My name is Michael Seaman-Huynh. My business address is 1401 Main Street,
11		Suite 900, Columbia, South Carolina 29201. I am employed by the State of South
12		Carolina as a Senior Electric Utilities Specialist in the Electric Department for the Office
13		of Regulatory Staff ("ORS").
14	Q.	PLEASE STATE YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE.
15	A.	I received a Bachelor of Arts Degree from the University of South Carolina in
16		1997. Prior to my employment with ORS, I was employed as an energy analyst with a
17		private consulting firm. I joined ORS in June 2006 as an Electric Specialist and was
18		promoted to Senior Electric Specialist in 2010. I have testified on several occasions
19		before this Commission in conjunction with fuel clause proceedings.
20	Q.	WHAT IS THE PURPOSE OF YOUR TESTIMONY?
21	A.	The purpose of my testimony is to set forth ORS Electric Department's findings
22		and recommendations resulting from its examination and review of South Carolina
23		Electric & Gas Company's ("SCE&G" or "Company") fuel expenses and power plant

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- operations used in the generation of electricity to meet the Company's retail customer requirements. The review period includes the actual data for January 2010 through December 2010, estimated data for January 2011 through April 2011, and forecasted data for May 2011 through April 2012.
- 5 Q. WHAT AREAS WERE ENCOMPASSED IN YOUR REVIEW OF THE
 6 COMPANY'S FUEL EXPENSES AND PLANT OPERATIONS?
 - ORS examined various fuel and performance related documents as part of its review. The information reviewed addressed various energy generation and power plant maintenance activities. In preparation for this proceeding, ORS analyzed the Company's monthly fuel reports including power plant performance data, unit outages and generation statistics. ORS evaluated nuclear fuel, coal, natural gas, and transportation contracts and the reagent contracts for ammonia and limestone. ORS also evaluated the Company's policies and procedures for fuel procurement. All information was reviewed with reference to the Company's existing Adjustment for Fuel and Variable Environmental Costs Rider and the Fuel Clause statute.

Q. WHAT ADDITIONAL STEPS WERE TAKEN IN ORS'S REVIEW OF THE COMPANY'S PROPOSAL IN THIS PROCEEDING?

Numerous meetings were held with SCE&G personnel representing a variety of areas of expertise to discuss and review the Company's coal, natural gas, and nuclear fuel procurement; fuel transportation; environmental costs and compliance procedures; nuclear, fossil and hydro generating plant's performance; plant dispatch; forecasting; and general Company policies and procedures. These meetings occurred at ORS offices as well as SCE&G headquarters in Cayce, S.C. In addition, on a daily basis, ORS keeps

abreast of the nuclear, coal, natural gas, and transportation industries through industry and governmental publications. During the review period, ORS attended the Nuclear Regulatory Commission ("NRC") annual inspection meeting for the V.C. Summer nuclear generation station. ORS also conducted on-site visits of the Cope, Wateree, and Williams coal-fired stations, V.C. Summer nuclear generation station, and Hagood station's natural gas-fired simple-cycle turbines.

7 Q. DID ORS EXAMINE THE COMPANY'S PLANT OPERATIONS FOR THE 8 REVIEW PERIOD?

Yes. ORS reviewed the performance of the Company's generating facilities to determine if the Company made reasonable efforts to minimize fuel costs. ORS also reviewed the availability and capacity factors of the Company's power plants. Exhibit MSH-1 shows in percentages the monthly availability factors of the Company's major generating units. The corresponding capacity factors in Exhibit MSH-2 indicate the monthly utilization of each unit in producing power.

PLEASE EXPLAIN THE SIGNIFICANCE OF PLANT AVAILABILITY AND HOW IT IS USED IN ORS'S EVALUATION OF THE COMPANY'S PLANT PERFORMANCE.

Exhibits MSH-3 and MSH-4 show the Company's major fossil and nuclear units summary of outages for the review period. With reference to Exhibit MSH-1, in months where generation units show zero availability, as well as those months showing less than 100% availability, led ORS to examine the reasons for such occurrences. Exhibits MSH-1 through MSH-4 were used to evaluate the Company's plant operations. As an example, Exhibit MSH-1 shows that McMeekin Unit 2 had 0.0% availability in the month of

February 2010. Exhibit MSH-2 shows that the capacity during that same time period was also 0.0%. Exhibit MSH-3, page 1 of 2, indicates the reason for this as being the scheduled Spring outage between January 29 and March 16, 2010; therefore, the unit was not available to generate electricity during this time frame due to these planned activities being performed.

Q. PLEASE EXPLAIN HOW THE OUTAGES ARE REPRESENTED ON EXHIBITS MSH-3 AND MSH-4.

A. Exhibit MSH-3 provides explanations for major fossil unit outages of 100 hours or greater. While not all plant outages were included in this exhibit, all outages were reviewed and found to be reasonable by ORS. Exhibit MSH-4 provides explanations for all nuclear plant outages during the review period.

12 Q. PLEASE ADDRESS THE OUTAGES AT THE V.C. SUMMER NUCLEAR 13 STATION.

Exhibit MSH-4 shows two forced outages during the review period. ORS reviewed the causes of these outages as well as associated NRC documents, and determined that the Company responded appropriately during both outages. Despite the two forced outages during the review period, the V.C. Summer nuclear station operated efficiently with an actual availability factor of 99.1% and an actual capacity factor of 100.3%. The V.C. Summer nuclear unit did not undergo refueling during the review period. V.C. Summer is on an approximate 18 month refueling cycle, and is scheduled to begin its next refueling outage in April 2011.

2 Q. DID ORS REVIEW THE COMPANY'S GENERATION MIX DURING THE 3 REVIEW PERIOD?

Yes. Exhibit MSH-5 shows the megawatt-hour ("MWH") generation mix for the review period by generation type. As shown in this exhibit, the baseload coal and nuclear plants contributed 74% of the generation throughout the review period. The combined-cycle natural gas-fired plants, which include both Jasper and Urquhart, contributed 22% of the generation as natural gas prices remained low compared to coal prices. This is in contrast to historical dispatch patterns where natural gas-fired plants were more routinely operated during the summer and winter peak months with lower percentage generation during the non-peak periods. The remainder of the generation was met through a mix of hydroelectric, combustion turbine, and purchased power.

Q. DID ORS EXAMINE THE COMPANY'S FUEL COSTS ON A PLANT-BY-PLANT BASIS FOR THE REVIEW PERIOD?

Yes. Exhibit MSH-6 shows the average fuel costs for the major generating plants on the Company's system for the review period and the MWHs produced by those respective plants. V.C. Summer generation represents SCE&G's 2/3 ownership of the plant. The chart shows the lowest average fuel costs being 0.72 cents/kilowatt-hour ("kWh") at the V.C. Summer Nuclear Station and the highest average fuel costs being 4.96 cents/kWh at the Canadys coal plant. The Company utilizes economic dispatch which generally requires that the lower cost units are dispatched first.

Q. HAS ORS REVIEWED THE ACCURACY OF THE COMPANY'S FORECAST?

Yes. As shown in Exhibit MSH-7, the Company's actual MWH sales versus estimated sales were 4.06% lower than expected during the review period. In addition, Exhibit MSH-8 shows the monthly variance between projected and actual fuel cost for

- the review period. This exhibit shows the cumulative average projected fuel cost level for the period was 1.94% above the actual cost level.
- Q. WHAT OTHER INFORMATION HAS ORS REVIEWED IN MAKING ITS
 DETERMINATIONS IN THIS PROCEEDING?
- Exhibit MSH-9 shows ending period balances of fuel costs beginning in July 1979. The Company has experienced both under-recovery and over-recovery balances throughout the approximate thirty-year period. As of December 2010, the Company had a cumulative under-recovery of \$72,832,265.
- 9 Q. WHAT OTHER SOURCES OF INFORMATION DOES ORS USE IN
 10 DETERMINING THE REASONABLENESS OF A UTILITY'S REQUEST FOR A
 11 FUEL COST COMPONENT?
- 12 A. ORS routinely 1) reviews private and public industry publications as well as those 13 available on the Energy Information Administration's ("EIA") website; 2) conducts 14 meetings with Company personnel; 3) attends industry conferences; and 4) reviews fuel 15 information as filed monthly by electric generating utilities with the Federal Government. 16 An example of the EIA data reviewed is included on Exhibits MSH-10 and MSH-11. 17 Exhibit MSH-10 provides spot coal price data for a three-year period and includes the 18 steady rise in prices since mid-2009 for both Northern and Central Appalachian Coal. 19 SCE&G generally obtains its coal from the Central Appalachia region. Exhibit MSH-11 20 provides uranium price data for the previous fifteen-year period and shows a significant 21 increase in the price of uranium since 2006.
- Q. IN THE SETTLEMENT AGREEMENT IN THE PREVIOUS FUEL REVIEW

 (DOCKET NO. 2010-2-E), ORS RESERVED THE RIGHT TO REVIEW THE

1		OUTAGE EXTENSION THAT OCCURED AT THE V.C. SUMMER NUCLEAR
2		STATION AS A RESULT OF THE NOVEMBER 2009 ELECTRICAL FIRE. HAS
3		ORS REVIEWED THIS EVENT?
4	A.	Yes. ORS conducted an extensive review into this matter. ORS met with the
5		Company on several occasions and reviewed the reports from both SCE&G and the NRC
6		regarding the Company's actions prior to, during, and after the event. ORS concluded
7		that the Company acted reasonably.
8	Q.	HAS ORS REVIEWED THE COMPANY'S PROPOSAL TO RECOVER THE
9		PROJECTED UNDER-COLLECTED BASE FUEL COST BALANCE?
10	A.	Yes. As set forth in Company Witness Rooks' EXHIBIT NO(AWR-1), the
11		Company has a projected under-collected balance of base fuel costs of \$60,195,809 as of
12		April 2011. ORS Witness Seale adjusts this figure to \$59,504,695 on page 17 of her
13		testimony and on Audit Exhibit CLS-6, page 2 of 2. The Company proposes to collect
14		the under-collected balance over the next twelve months, with the balance being fully
15		recovered by April 2012.
16	Q.	DOES ORS HAVE AN ALTERNATE RECOMMENDATION TO OFFER
17		CONCERNING THE RECOVERY OF THE UNDER-COLLECTED BALANCE?
18	A.	Yes. Considering the current economic conditions facing South Carolina, ORS
19		recommends the impact of the unrecovered balance to ratepayers be mitigated by
20		amortizing these costs over an additional twelve-month period, for a total of two years.
21		ORS also recommends that carrying costs be allowed for that portion of the under-
22		collected balance to be recovered during the second year of the two-year amortization,
23		and, if approved, be based on the 3-year U.S. Government Treasury Note rate plus 65

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WHAT IS THE BASIS FOR YOUR RECOMMENDATION?

A. During the 2009 Annual Fuel Review (Docket No. 2009-2-E), SCE&G was experiencing significant increases in its fuel costs. In Order No. 2009-289 the Company was allowed to spread the under-collected balance as of April 30, 2009 over a three-year period as ORS recommended. Although SCE&G's under-collected balance is significantly lower as of April 30, 2011, ORS considers this additional measure of relief for ratepayers is reasonable, appropriate and warranted.

Q. DOES ORS HAVE ANY OTHER RECOMMENDATION TO OFFER IN THIS PROCEEDING?

A. Yes. After meeting with SCE&G personnel and reviewing the data supplied by the Company, ORS determined that SCE&G's fuel cost forecast was reasonable; however, during the review, ORS was made aware of the Company's plans for shipping additional spot coal during the forecasted period. These shipments would lower the Company's overall fuel transportation cost. Based on the information supplied by the Company, ORS recommends reducing the Company's forecasted fossil fuel costs by \$1 million in both November and December 2011 to account for lower forecasted transportation costs.

Q. WHAT IS THE TOTAL FUEL COST FACTOR BY CLASS RESULTING FROM ORS'S RECOMMENDATIONS IN THIS PROCEEDING?

- 1 A. The resulting total fuel cost factors are shown on Exhibit MSH-12. The fuel
 2 factor proposed by ORS would increase the average monthly bill for a residential
 3 customer using 1000 kWh by \$0.49 from \$124.03 to \$124.52. This is \$1.44 less than the
 4 Company's proposed increase.
- 5 Q. DOES THIS CONCLUDE YOUR TESTIMONY?
- 6 A. Yes, it does.

Office of Regulatory Staff Power Plant Performance Data Report Availability Factors (Percentage) for South Carolina Electric & Gas Company

HISTORICAL DATA

REVIEW PERIOD (ACTUAL) DATA

	HISTORICAL DATA								REVIEW PERIOD (ACTUAL) DATA									
PLANT	UNIT	NET MW RATING	YEAR 2008	YEAR 2009	YEAR 2010	JAN 2010	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Average
	┨───	KATING	2000	2009	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	Review Pd.
CANADYS	1	90	86.1	87.2	75.6	94.1	64.8	85.1	76.8	37.8	86.8	99.4	92.5	67.5	97.3	74.5	30.9	75.6
CANADYS	2	l 115	66.7	87.4	93.2	94.4	100.0	89.6	82.6	100.0	89.1	100.0	90.5	94.4	100.0	77.9	100.0	93.2
CANADYS	3	180	82.0	79.6	63.0	44.9	0.0	0.0	25.4	57.2	92.3	96.5	99.1	100.0	66.2	74.5		P .
COPE	1	410	75.9	96.4	94.1	97.5	100.0	97.4	66.7	68.7	99.2	100.0	100.0	100.0			100.0	63.0
McMEEKIN	1 1	125	88.0	63.7	94.7	100.0	100.0	100.0	76.5	100.0	100.0				100.0	100.0	100.0	94.1
McMEEKIN	2	125	91.2	87.7	80.6	82.9	0.0	50.5	100.0			99.5	100.0	100.0	60.0	100.0	100.0	94.7
URQUHART	2	95	87.5	71.4	92.7		99.9			90.2	96.6	100.0	94.9	100.0	56.7	100.0	95.7	80.6
WATEREE	1	342			1	100.0		85.7	100.0	100.0	100.0	96.8	91.4	96.7	94.5	47.7	100.0	92.7
WATEREE	1 1		94.3	71.4	90.0	100.0	57.3	100.0	100.0	99.5	100.0	100.0	94.1	100.0	71.4	61.9	95.9	90.0
	2	342	93.2	91.7	90.1	100.0	100.0	84.1	65.3	97.6	91.2	78.5	74.3	91.4	99.1	100.0	100.0	90.1
WILLIAMS	1	605	81.4	86.0	74.7	83.2	91.5	100.0	100.0	55.4	91.0	90.9	100.0	48.1	0.0	36.6	100.0	74.7
COAL TOTAL	 																	L
COAL TOTALS	 	2429	84.6	82.3	84.9	89.7	71.3	79.2	79.3	80.6	94.6	96.2	93.7	89.8	74.5	77.3	92.2	84.9
JASPER	1	161	88.6	94.9	76.4	97.7	100.0	42.0	5.5	93.6	99.5	100.0	97.7	100.0	99.0	16.6	64.9	76.4
JASPER	2	168	92.2	95.9	83.4	97.7	100.0	42.0	6.9	93.6	100.0	100.0	91.9	100.0	100.0	69.1	100.0	83.4
JASPER	3	151	92.5	88.9	84.5	97.6	100.0	42.0	13.1	93.1	100.0	100.0	97.1	100.0	100.0	71.3	100.0	84.5
JASPER	4	392	93.5	96.6	84.6	97.7	100.0	42.0	10.9	93.6	99.9	100.0	99.8	99.6	100.0	71.2	100.0	84.6
URQUHART	5	162	78.2	92.4	85.2	96.8	95.1	75.0	100.0	99.9	100.0	99.9	96.1	100.0	4.2	64.7	90.9	85.2
URQUHART	1 1	64	79.8	92.2	88.5	100.0	99.3	75.3	100.0	100.0	100.0	100.0	98.7	100.0	4.2	84.7	100.0	88.5
URQUHART	6	168	87.5	92.3	79.3	96.1	99.3	72.8	92.7	99.1	97.7	95.0	94.5	82.3	0.0	28.5	93.5	79.3
URQUHART	2	64	87.6	91.5	81.3	100.0	100.0	75.4	97.1	100.0	99.9	95.0	96.3	82.3	0.0	30.2	100.0	81.3
_									· · · · ·		,,,,	,,,,	70.5	02.5	0.0	30.2	100.0	01.0
CC TOTALS ¹		1330	87.5	93.1	82.9	98.0	99.2	58.3	53.3	96.6	99.6	98.7	96.5	95.5	50.9	54.5	93.7	82.9
V.C. SUMMER	1	966	84.4	81.7	99.1	100.0	97.4	100.0	100.0	100.0	100.0	100.0	100.0	01.6	100.0	100.0	1000	
V.C. SUMMER	1 '	900	04.4	81./	99.1	100.0	97.4	100.0	100.0	100.0	100.0	100.0	100.0	91.6	100.0	100.0	100.0	99.1

Note 1: CC designates Combined-Cycle units

Office of Regulatory Staff Power Plant Performance Data Report Capacity Factors (Percentage) for

South Carolina Electric & Gas Company

HISTORICAL DATA

REVIEW PERIOD (ACTUAL) DATA

	HISTORICAL DATA							REVIEW PERIOD (ACTUAL) DATA											
PLANT	UNIT	NET MW	LIFE	YEAR	YEAR	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Average
I DANI		RATING	TIME	2008	2009	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	Review Pd
CANADYS	1	90	80.7	67.6	38.7	39.9	22.5	25.8	30.9	66.4	11.5	64.3	59.1	75.0	25.1	16.3	62.0	20.1	39.9
CANADYS	2	115	79.7	50.0	28.8	40.6	68.6	63.5	0.0	9.5	40.3	34.0	56.0	60.0	33.3	46.9	46.3	29.1	40.6
CANADYS	3	180	51.1	66.4	29.0	40.3	36.8	0.0	0.0	5.9	28.1	76.1	83.3	83.1	83.3	19.6	56.6	10.5	40.3
СОРЕ		410	78.5	71.0	69.3	74.4	90.2	85.7	70.7	45.3	47.5	76.5	78.3	77.1	77.7	83.7	80.1	79.9	74.4
McMEEKIN	1	125	68.9	80.3	38.3	70.9	86.3	84.0	62.4	33.7	73.4	78.8	80.1	81.0	77.1	46.0	72.5	75.4	70.9
McMEEKIN	2, ,	125	69,1	82.9	50.0	60.3	68.1	0.0	36.2	85.3	61.1	74.6	79.9	74.9	72.4	37.2	63.3	71.0	60.3
URQUHART	3 '	95	74.7	77.2	47.7	47.8	79.0	66.1	0.0	13.2	30.6	68.1	70.8	67.6	58.7	68.3	5.6	45.9	47.8
WATEREE	1	342	69.7	79.7	48.8	68.1	83.7	41.3	60.9	78.9	70.3	79.0	81.8	70.0	73.2	54.9	44.4	78.6	68.1
WATEREE	2	342	69.8	79.5	61.3	66.8	78.5	82.7	64.3	50.5	72.2	69.2	58.9	53.8	63.1	51.1	79.6	77.7	66.8
WILLIAMS	•	605	67.7	76.2	72.5	66.3	81.3	88.1	96.3	93.3	50.3	77.3	77.4	84.1	38.5	0.0	25.1	83.9	66.3
COAL TOTALS		2429	69.3	73.5	55.8	63.1	76.2	64.7	59.8	59.1	53.1	73.2	74.3	73.8	60.5	40.3	53.1	68.6	63.1
								-						-					
JASPER	1	161	n/a	33.9	66.6	57.2	39.5	64.1	26.8	3.7	75.3	79.5	82.0	82.2	85.5	90.7	12.0	44.8	57.2
JASPER	2	168	n/a	37.5	60.1	62.9	56.8	53.3	21.6	4.0	74.3	71.3	76.0	75.5	81.9	95.6	57.7	86.3	62.9
JASPER	3	151	n/a	38.6	62.7	64.0	40.3	67.4	22.6	7.0	67.8	79.0	77.1	83.2	82.0	98.1	60.4	83.3	64.0
JASPER	4	392	n/a	26.6	48.2	48.9	31.6	44.5	16.3	3.2	55.6	61.3	62.7	68.3	67.7	82.5	37.2	56.2	48.9
URQUHART	5	162	n/a	20.3	56.2	43.9	30.5	32.7	33.0	35.3	33.5	79.5	65.2	74.2	83.3	2.0	17.6	40.1	43.9
URQUHART	1	64	n/a	22.1	59.0	49.8	37.1	39.7	38.2	39.0	36.4	91.7	74.2	83.2	88.2	2.3	21.4	45.8	49.8
URQUHART	6	168	n/a	18.5	53.6	38.8	27.0	40.6	2.8	39.9	60.8	65.4	68.0	75.3	45.9	0.0	5.0	35.3	38.8
URQUHART	2	64	n/a	20.4	57.6	44.8	31.8	49.0	3.1	46.4	68.6	75.8	78.8	86.2	51.2	0.0	5.9	40.6	44.8
CC TOTALS		1330	n/a	27.9	56.2	51.3	36.3	48.6	19.7	16.2	59.4	71.7	70.7	75.8	72.6	58.9	30.6	55.8	51.3
V.C. SUMMER	1	966	82.8 1	84.2	81.3	100.3	101.7	98.2	102.0	101.7	101.7	100.2	100.1	99.7	91.4	101.8	102.3	102.3	100.3

Note 1: The lifetime nuclear unit capacity factor for V.C. Summer is through December 2010

Office of Regulatory Staff Fossil Unit Outage Report (100 Hrs or Greater Duration) for South Carolina Electric & Gas Company

UNIT	DATE OFF	DATE ON	HOURS	TYPE	EXPLANATION OF OUTAGE
Canadys #1	4/24/10	5/13/10	471.03	Planned	Unit was taken offline due to a planned Spring outage.
Canadys #1	5/20/10	5/24/10	102.00	Maintenance	Unit was taken offline to replace steam drum safety valve.
Canadys #1	9/7/10	9/12/10	123.00	Maintenance	Unit was taken offline to overhaul turbine intercept valves.
Canadys #1	11/23/10	12/22/10	698.00	Planned	Unit was taken offline to install the #1 ESST switch.
Canadys #2	4/19/10	4/24/10	125.00	Planned	Unit was taken offline to replace steam drum safety valve.
Canadys #2	11/24/10	12/11/10	409.92	Planned	Unit was taken offline to install the #1 ESST switch.
Canadys #3	1/14/10	4/9/10	2031.62	Planned	Unit was taken offline due to a planned Spring outage.
Canadys #3	4/19/10	5/10/10	515.93	Maintenance	Unit was taken offline to repair control valve linkage.
Canadys #3	10/4/10	10/12/10	188.00	Maintenance	Unit was taken offline to repair coal mill journal.
Canadys #3	11/24/10	12/21/10	653.00	Planned	Unit was taken offline due to tube leaks.
Cope	4/21/10	5/10/10	472.63	Planned	Unit was taken offline due to a planned Spring outage.
McMeekin #1	4/11/10	4/18/10	169.12	Planned	Unit was taken offline due to a planned Spring outage.
McMeekin #1	10/08/10	10/21/10	297.57	Planned	Unit was taken offline due to a planned Fall outage.
McMeekin #2	1/29/10	3/16/10	1091.55	Planned	Unit was taken offline due to a planned Spring outage.
McMeekin #2	10/16/10	10/29/10	322.50	Planned	Unit was taken offline due to a planned Fall outage.
Wateree #1	2/3/10	2/11/10	191.73	Maintenance	Unit was taken offline due to turbine vibration.
Wateree #1	10/23/10	11/7/10	365.07	Planned	Unit was taken offline due to a planned Fall outage.
Wateree #2	3/27/10	4/11/10	367.60	Planned	Unit was taken offline due to a planned Spring outage.
Wateree #2	8/1/10	8/9/10	191.00	Forced	Unit was forced offline due to a leak in Radiant Superheater.
Williams	1/17/10	1/23/10	125.33	Maintenance	Unit was taken offline due to tube leaks.
Williams	5/7/10	5/21/10	332.10	Planned	Unit was taken offline to tie in 3rd ID fan.
Williams	9/16/10	11/19/10	1543.23	Planned	Unit was taken offline due to a planned Fall outage.

Office of Regulatory Staff Fossil Unit Outage Report (100 Hrs or Greater Duration) for South Carolina Electric & Gas Company

UNIT	DATE OFF	DATE ON	HOURS	TYPE	EXPLANATION OF OUTAGE
Jasper #1	03/14/10	04/24/10	1000.38	Planned	Unit was taken offline due to a planned Spring outage.
Jasper #1	04/27/10	05/03/10	120.15	Maintenance	Unit was taken offline to repair an oil leak.
Jasper #1	11/05/10	12/11/10	862.78	Planned	Unit was taken offline due to a planned Fall outage.
Jasper #2	03/14/10	4/23/10	968.88	Planned	Unit was taken offline due to a planned Spring outage.
Jasper #2	04/27/10	5/3/10	120.15	Maintenance	Unit was taken offline to repair an oil leak.
Jasper #2	11/19/10	11/29/10	222.53	Planned	Unit was taken offline due to a planned Fall outage.
Jasper #3	3/14/10	4/21/10	921.83	Planned	Unit was taken offline due to a planned Spring outage.
Jasper #3	04/27/10	5/3/10	120.15	Maintenance	Unit was taken offline to repair an oil leak.
Jasper #3	11/19/10	11/28/10	207.00	Planned	Unit was taken offline to replace a feed water regulating valve.
Jasper #4	3/14/10	4/24/10	997.37	Planned	Unit was taken offline due to a planned Spring outage.
Jasper #4	04/27/10	5/3/10	120.15	Maintenance	Unit was taken offline to repair an oil leak.
Jasper #4	11/19/10	11/28/10	207.68	Planned	Unit was taken offline due to a planned Fall outage.
Urquhart #1	3/21/10	3/28/10	183.75	Planned	Unit was taken offline due to a planned Spring outage.
Urquhart #1	10/2/10	11/5/10	823.25	Planned	Unit was taken offline due to a planned Fall outage.
Urquhart #2	3/24/10	4/1/10	203.50	Planned	Unit was taken offline due to a planned Spring outage.
Urquhart #2	9/26/10	11/21/10	1357.00	Planned	Unit was taken offline due to a planned Fall outage.
Urquhart #3	3/8/10	3/12/10	106.50	Planned	Unit was taken offline due to a planned Spring outage.
Urquhart #3	10/30/10	11/16/10	418.00	Planned	Unit was taken offline due to a planned Fall outage.
Urquhart #5	3/21/10	3/28/10	183.75	Planned	Unit was taken offline due to a planned Spring outage.
Urquhart #5	10/2/10	11/5/10	830.05	Planned	Unit was taken offline due to a planned Fall outage.
Urquhart #6	3/24/10	4/1/10	203.50	Planned	Unit was taken offline due to a planned Spring outage.
Urquhart #6	9/26/10	11/21/10	1363.62	Planned	Unit was taken offline due to a planned Fall outage.

Office of Regulatory Staff V.C. Summer Nuclear Unit Outage Report for South Carolina Electric & Gas Company

_	NO.	DATE OFF	DATE ON	HOURS	TYPE	EXPLANATION OF OUTAGE
	1	2/4/10	2/5/10	17.47	Forced	Unit was forced offline due to failure of switchyard disconnect 8901.
	2	9/23/10	9/25/10	60.80	Forced	Unit was forced offline due to an oil leak in the A reactor coolant pump motor.

Office of Regulatory Staff Generation Mix Report for South Carolina Electric & Gas Company

January 1, 2010 - December 31, 2010

MONTH		PER	CENTAGE			
	COAL	NUCLEAR	CYCLE CYCLE	COMBUSTION TURBINE	HYDRO	PURCHASED POWER
January	59	20	16	0	4	1
February	53	20	22	0	4	1
March	59	26	11	0	3	1
April	60	27	9	0	3	1
May	46	22	27	0	4	1
June	51	18	26	0	4	1
July	51	18	26	1	3	1
August	51	17	27	0	4	1
September	47	18	29	1	4	1
October	40	26	30	0	3	1
November	54	26	17	0	2	1
December	53	20	24	0	2	1
Avg =	52	22	22	0	3	1

Office of Regulatory Staff Generation Statistics for Major Plants for South Carolina Electric & Gas Company

January 1, 2010 - December 31, 2010

		AVERAGE FUEL COST	GENERATION
PLANT	TYPE FUEL	(CENTS/KWH ¹)	(MWH)
V.C. Summer ²	Nuclear	0.72	5,657,858
Jasper CC	Natural Gas	3.81	4,342,601
Williams	Coal	4.08	3,417,650
Urquhart	Coal	4.19	399,238
Cope	Coal	4.34	2,738,246
McMeekin	Coal	4.41	1,440,130
Wateree	Coal	4.77	4,043,009
Urquhart CC	Natural Gas	4.84	1,749,798
Canadys	Coal	4.96	1,360,807
	1		

Note 1: The average fuel costs for coal-fired plants include oil and/or gas cost for start-up and flame stabilization.

Note 2: Generation Statistics for V.C. Summer represents SCE&G's 2/3 ownership.

Office of Regulatory Staff SC Retail Comparison of Estimated to Actual Energy Sales for South Carolina Electric & Gas Company

ESTIMATED 1,846,800 1,768,300 1,662,700 1,553,700 1,593,000 SALES IMWHI
00 1,553,700
1,593,000
00 1,962,000 2
2,184,500 2
500 2,147,700 2
2,052,400
1,722,800
1,546,100
1,742,000
21,782,000

22,703,781 2,039,468 1,796,373 1,839,312 1,565,378 1,633,123 2,098,635 2,242,296 2,267,077 2,125,817 1,786,893 1,503,722 1,805,689 SALES [MWH] ACTUAL [7]

-63,689 42,378 -64,093 -73,417 -57,796 -119,377 -136,635 -40,123 -176,612 -11,678 -28,073 -192,668 DIFFERENCE **AMOUNT** [1]-[2]3

-921,781

-4.06% -3.45% -6.51% -2.46% -0.75% %09.6--1.56% -9.45% DIFFERENCE PERCENT

[3]/[2]

<u>4</u>

Office of Regulatory Staff
SC Retail Comparison of Estimated to Actual Fuel Cost (Cents/kWh)
for South Carolina Electric & Gas Company

		2010 <u>JAN</u>	<u>FEB</u>	MAR	<u>APR</u>	MAY	<u>JUN</u>	JUL	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>PERIOD</u>
[1]	ORIGINAL PROJECTION	3.7962	3.3836	3.5670	3.5027	3.9099	3.8481	3.8626	3.8288	3.3762	3.5455	3.6765	3.6344	3.6610
[2]	ACTUAL EXPERIENCE	4.1907	3.9190	3.1326	3.2455	3.9235	3.9253	3.9862	4.1396	3.4215	2.9106	3.6190	4.3891	3.7336
[3]	AMOUNT IN BASE	3.6210	3.6210	3.6210	3.6210	3.6100	3.6100	3.6100	3.6100	3.6100	3.6100	3.6100	3.6100	3.6137
[4]	VARIANCE	-9.41%	-13.66%	13.87%	7.92%	-0.35%	-1.97%	-3.10%	-7.51%	-1.32%	21.81%	1.59%	-17.19%	-1.94%

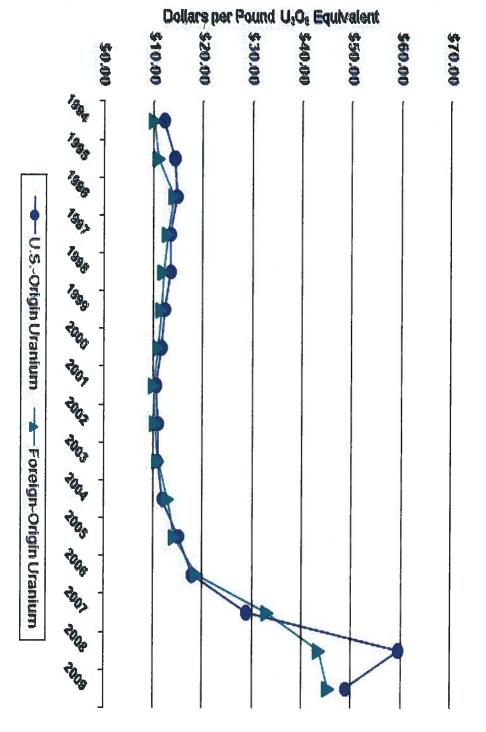
FROM ACTUAL [1-2]/[2]

South Carolina Office of Regulatory Staff History of Cumulative Recovery Account Report for South Carolina Electric & Gas Company

Tr-dan-85

31-Dec-10 03-080-60 01-VON-20 Pouder River Basin 01-120-80 Central Appatachia North Appatachia 01-des-01 01-QUA-EF Illinois Basin Uinta Basin 01-4UL-81 Or-nul-81 21-NBM-12 23-Apr-10 EIA Average Weekly Coal Commodity Spot Prices OF-JBM-9S 26-Feb-10 Business Week Ended February 25, 2011 Or-nal-es 60-09G-b 60-AON-9 9-Det-09 60-dag-11 60-60A-41 80-IN-71 80-nut-61 22-M8N-09 24-Apr-09 27-Mar-09 27-Feb-09 **90-081-05** 2-Jan-09 28-Nov-08 31-04-08 3-DCI-08 5-Sep-08 80-pul-8 80-IUL-11 80-nul-Et 80-Y8M-91 18-Apr-08 SO-Mar-0S 22-Feb-08 100 hort sper Short Ton 100 hort are 100 hort 200 hort 20 \$50.00 \$40.00 \$30.00 \$80,00 \$20.00 \$10.00 \$180,00 \$0.00 \$170.00 \$160.00 \$150,00 \$140,00 \$130.00

EIA Weighted-Average Price of U.S. and Foreign-Origin Uranium Purchased by Owners and Operators of U.S. Civilian Nuclear Power Reactors, 1994-2009 Deliveries



Office of Regulatory Staff Proposed Fuel Factors for South Carolina Electric & Gas Company May 2011 - April 2012

SCE&G Proposed Factors 1 Yr Collection (¢/kWh)

ORS Proposed Fuel Factor 2 Yr Amortization (¢/kWh)

Customer Class	Base Fuel Factor (¢/kWh)	Environmental Fuel Factor (¢/kWh)	Total Fuel Factor (¢/kWh)	Base Fuel Factor (¢/kWh)	Environmental Fuel Factor (¢/kWh)	Total Fuel Factor (¢/kWh)
Residential	3.729	0.069	3.798	3.586	0.069	3.655
Small Gen. Service	3.729	0.047	3.776	3.586	0.047	3.633
Med. Gen. Service	3.729	0.038	3.767	3.586	0.038	3.624
Large Gen. Service	3.729	0.016	3.745	3.586	0.016	3.602
Lighting	3.729	0	3.729	3.586	0	3.586